

May 6, 2020

Jackson Rogers
Air Division
Alabama Dept. of Environmental Management
P.O. Box 301463
Montgomery, AL 36130-1463

Dear Mr. Jackson:

This is a follow up to our conversation on April 8, 2020 and a reply to your email dated the same. On the night of November 11, 2019 around 11 PM the electrical supply from the City to the Sanders' facility was interrupted for approximately two hours. This included all production buildings, furnace, air capture and filtration systems, as well as lighting throughout the plant. The building immediately went dark and filled with smoke. Contingency plans were initiated. Doors had to be opened to allow employees to escape and to reduce amount of the smoke inside. Once the building was safe to re-enter a few employees were allowed back inside to bank the furnaces. After about two hours power was restored to the facility. All pollution control equipment was immediately restarted and operations resumed to a normal status.

According to the daily weather observations for that particular date and time the wind at 10:53 PM was SSE @ 6 mph and at 11:53 PM the wind is reported from South at 6 mph. This was a straight line wind from the plant building to the monitor. This is more than a clear, casual relationship between the specific event and the monitor results. It is a direct correlation.

This event was caused by a blown fuse within the City system. So far no one has been able to determine what caused the fuse to fail.

Never before in the company's history has Sanders experienced such a failure. Under current conditions the event was not reasonably controllable and not reasonably preventable. The failure was within the City's system, not within the Sanders' operation. Sanders has asked the City for their help in preventing this from ever happening again. The City has developed what we consider a perfect solution. Currently Sanders receives its power from two independent directions and substations, but they cannot automatically switch from one to the other. The City is going to supply Sanders with a third independent source. But more importantly they will incorporate automatic switching. In the event of a failure, this switching will occur within a 5 second period.



Phone: 334/566-1563

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Because of the fail- safe reliability and switching capabilities this system is a much better option than giant standby generators. Because of the complications caused by the Co-vid virus the City estimates a time frame of 6-12 months to have the new system installed and working.

I trust this adequately meets the definition of an "exceptional event" within the meaning of 40 CFR and $\S50.14(c)(3)(iv)$. If you need additional information, please call me.

Sincerely,

E. Roy Baggett

Manager of Environmental Affairs

ERB/bd

Enclosure: Letter from Brian Chandler, City of Troy

JASON A. REEVES Mayor

GREG MEEKS
Council Vice President, District 2

ROBERT JONES

District I Councilman





MARCUS PARAMORE
Council President, District 3

STEPHANIE BAKER
District 4 Councilwoman

WANDA MOULTRY
District 5 Councilwoman

April 17, 2019

Mr. Kenny Campbell Sanders/KW Companies

Mr. Campbell:

The City of Troy, along with our consulting engineer, Stewart Engineering, has been working on a plan to provide a redundant power supply to the Sanders Lead plant area as well as provide additional electrical capacity. As is the case with our existing power services to you, parts of the system will be owned by Sanders/KW and part will be owned by the City. The City will install and operate the system, as we have always done for Sanders/KW.

We have smaller versions of this system installed for the Troy Regional Medical Center and for Troy University's IT Department that are in successful operation. The system for Sanders Lead will consist of the following:

- Redundant feed from three different physical directions and from three separate substation transformers.
- Ability to carry the full plant load from any two feeds.
- If one of the feeds goes out, switching will automatically occur in less than 5 seconds to restore full power to the plant from the other feeds.
- The automatic switching occurs without human intervention, but my staff and I will be immediately notified when an event occurs.

JASON A. REEVES Mayor

GREG MEEKS
Council Vice President, District 2

ROBERT JONES

District I Councilman





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Council President, District 3

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District 5 Councilwoman

We look forward to working with you on this system improvement project and will provide more details in the future as we finalize the design and the necessary materials arrive. Based on current supply chain delays and the nature of our split crew work schedules due to Covid-19, I anticipate 6-12 months to install and implement this system. Please do not hesitate to contact me with any questions.

Yours,

Brian M. Chardler

Brian M. Chandler, PE General Manager City of Troy Utilities